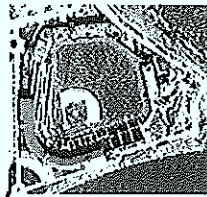


POLK COUNTY ASSESSOR

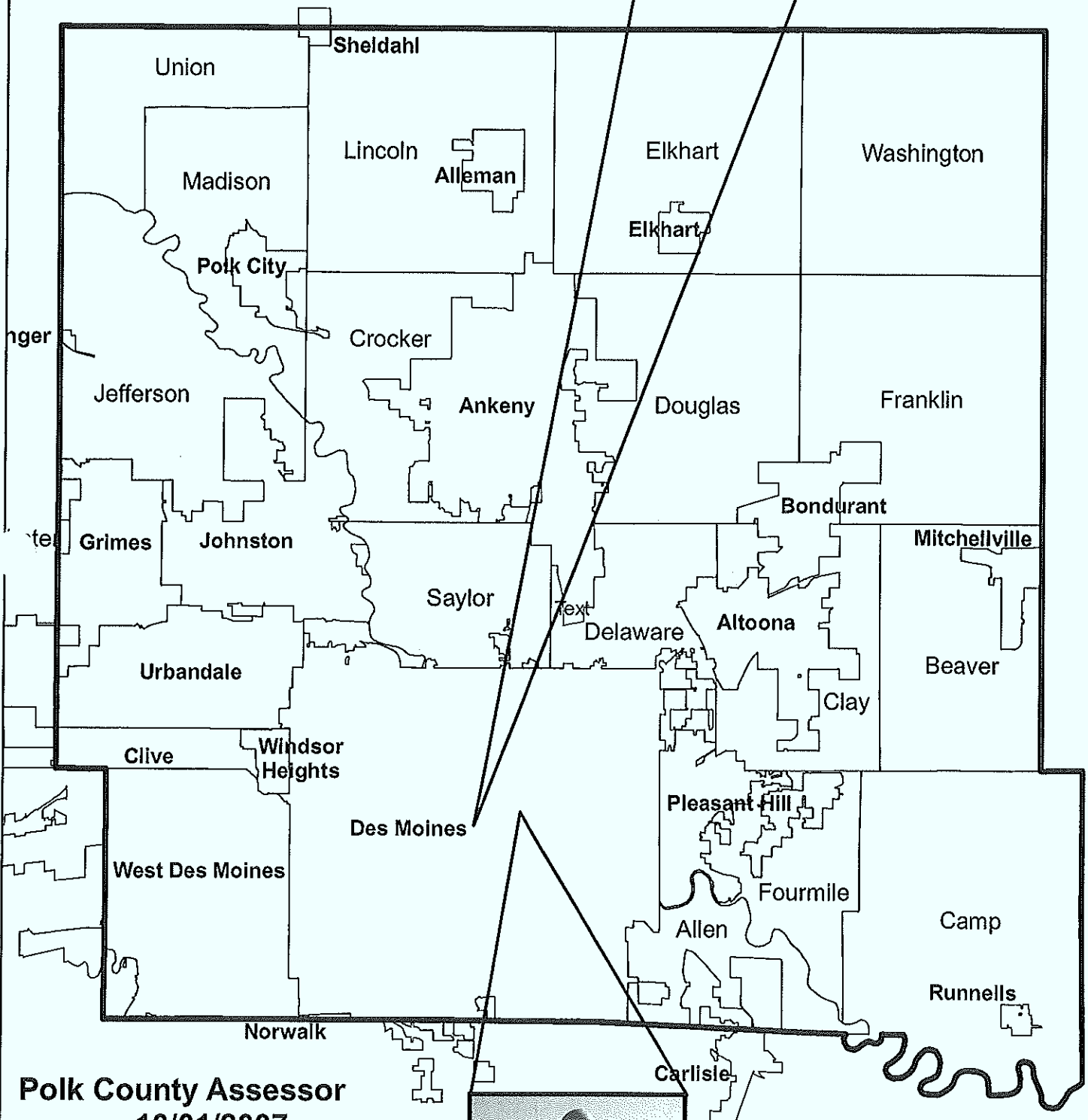
ANNUAL REPORT

2009

Polk County Corporate Boundaries and Township Boundaries



2005 High Resolution
0.40' pixel color aerial
photography



Polk County Assessor
10/01/2007

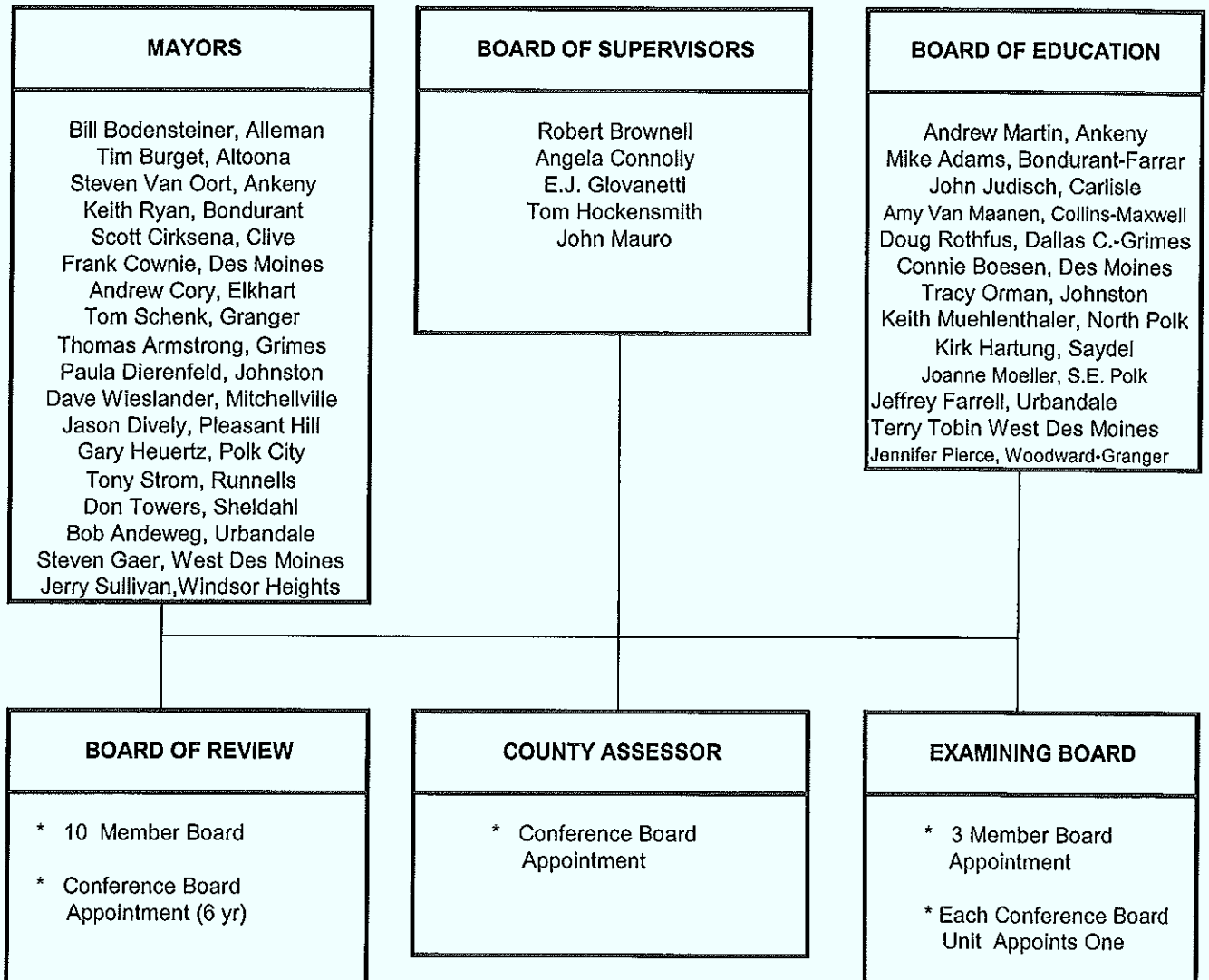


**2009 REPORT
OFFICE OF POLK COUNTY ASSESSOR**

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**POLK COUNTY CONFERENCE BOARD
2009**



**STAFF OF POLK COUNTY ASSESSOR'S OFFICE
MEMBERS, BOARD OF REVIEW AND BOARD OF EXAMINERS
DES MOINES, IOWA
2009**

ASSESSOR'S OFFICE

Administration

Jim Maloney, ASA, ICA
County Assessor

Randy Ripperger, CAE, ICA
Chief Deputy

Tammy Berenguel, Support Supervisor
Rhonda Duncan, Supervisor Real Estate Department
Rodney Hervey, ICA, Commercial Deputy Assessor
Paul Humble, ICA, Residential Deputy Assessor
Ruth Larsen, Database Administrator
Kelly Low, Accounting Manager
Mark Patterson, CCIM, ICA, Commercial Deputy Assessor
Amy Rasmussen Thorne, ICA, Residential Deputy Assessor
Bryon Tack, ICA, MAI, CAE, Commercial Deputy Assessor
James Willett, ICA, RES, Residential Deputy Assessor

Appraisers

John Catron, Residential Appraiser II
Michael Caulfield, ICA, Commercial Appraiser III
Rich Colgrove, Residential Appraiser III
Patrick Harmeyer, ICA, Commercial Appraiser II
Michelle Henderson, Residential Appraiser I
Tim Konrad, ICA, Residential Appraiser II
Paul O'Connell, Residential Appraiser I

Kathryn Ramaekers, Residential Appraiser II
Michelle Richards, ICA, Commercial Appraiser II
Regina Russell, Residential Appraiser II
Cathy Stevens, ICA, RES, Residential Appraiser III
Keith Taylor, ICA, Residential Appraiser II
Brett Tierney, Residential Appraiser I
Patrick Zaines, ICA, Agricultural Appraiser

Office Personnel

Caroyle Andrews
Susie Bauer
Vincent DeAngelis
Jackie Fontana
Kim Heffernan
Kelsi Jurik

Comm. Support Specialist
Permits Coordinator
Tax Information Spec.
Permits Coordinator
Support Specialist
Mapping Specialist

Jill Mauro
LaRayne Riccadonna
Rebecca Smith
Julie Van Deest
Ray Willis

Computer Support Spec
Database Specialist
Residential Sales Coord
Exemptions Coordinator
GIS Coordinator

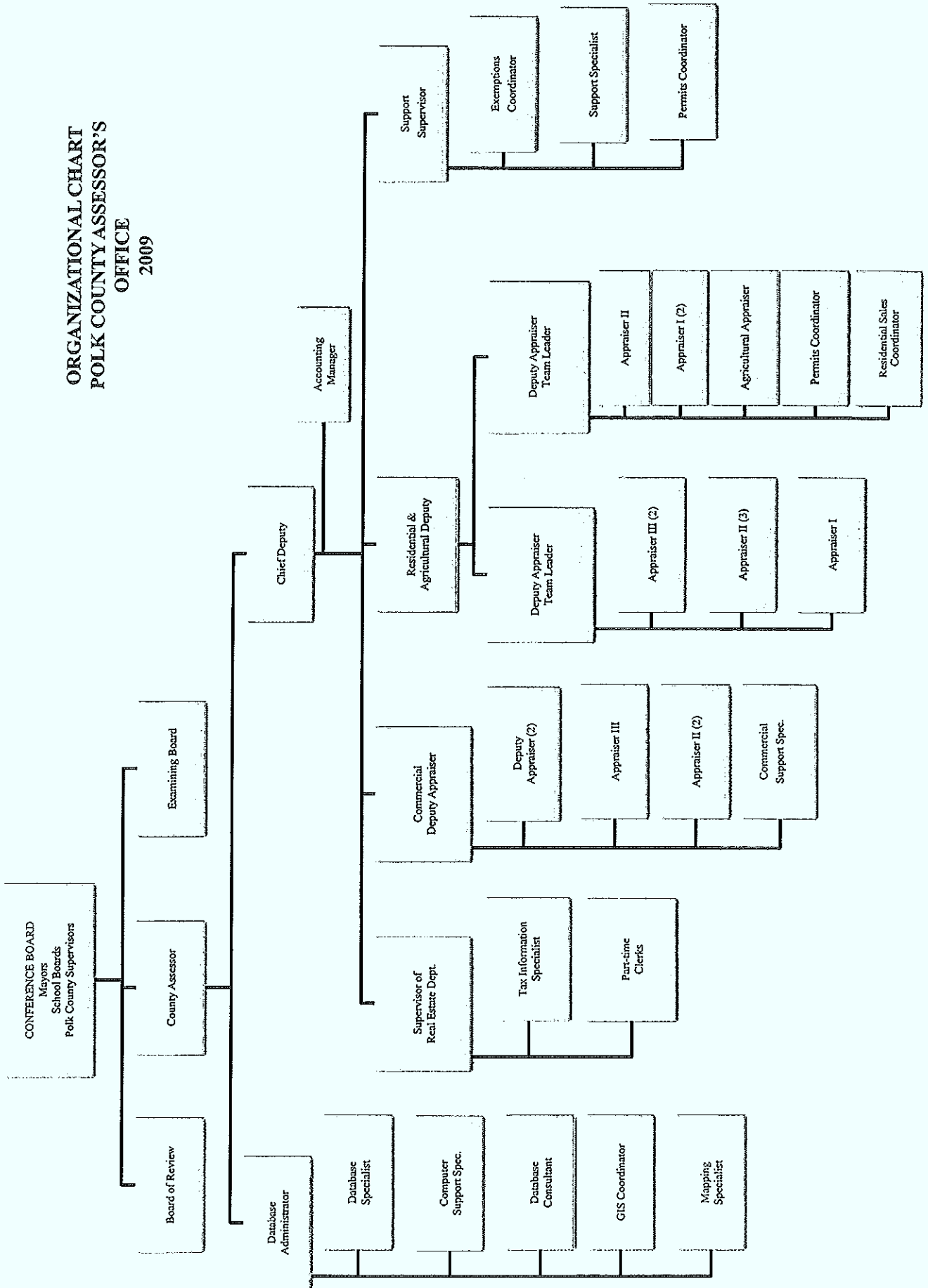
Board of Review

Lora Jorgensen
John Lundstrom
Ruth O'Brien-German
Everett Sather
Charles Speas
Dee Dee Steger
John Tiefenthaler
Leslie Turner
Lee Viggers
Max Wright

Board of Examiners

Art Hedberg
Ned Miller
Frank Smith

**ORGANIZATIONAL CHART
POLK COUNTY ASSESSOR'S
OFFICE
2009**



TO: Members of the Conference Board

FROM: Jim Maloney

DATE: January 4, 2010

Subject: Annual Report

Following is the 2009 Annual Report for the Polk County Assessor. This report summarizes our activity for the year, and I hope you find the information useful.

Here are some general comments about the year:

- It doesn't seem like that long ago that homeowners were purchasing houses with little or no money down, and using their dwelling as a personal ATM machine by refinancing and pulling out equity at the drop of a hat. As you know, those days are over. I recently saw a report in *USA Today* that 14 percent of residential mortgages nationwide are either in foreclosure, or the borrowers are behind on their payments.

This year we have been constantly asked about the residential real estate market in Polk County, and especially about the impact of foreclosures on assessed values. Our assessments follow the market, but so far, we have not seen a downward trend here. The median sales ratio is still about 100 percent, which means that on average, homes are selling at about the assessed value. If we saw a substantial drop in the market, we would take the unusual step of adjusting assessments in 2010 even though it is not a revaluation year. There is enough data in our sales file to indicate this will not be necessary.

- In several issues of our newsletter *RealTalk*, we've reported our on-going concern over an Iowa Department of Revenue position on valuing property according to its current use, rather than its highest and best use. This would allow some property owners to avoid paying taxes on the actual market value of their parcel – which would result in shifting the tax liability to other property owners. We've never felt this is fair.

At a recent statehouse hearing, the Iowa Farm Bureau supported changing the law to value property based on current use. This is an alarming development. Farm land is already valued using a productivity formula that is essentially a value in use approach. If this approach were adopted for residential and commercial property owners, it would likely lower assessments for a few, but shift the burden to many – including farmers.

The concern with issues like this is the legislative funnel. Significant but little-understood amendments and law changes – such as a switch to a value in use formula – can be included in a huge department bill that isn't in final form until shortly before a vote. It's quite possible that something could get passed without

a full understanding of the consequences. Therefore, those who are interested need to keep an eye on this issue. That's what we are trying to do.

- Finally, we have been involved in several court cases this past year regarding property classifications. In short, more and more small acreage owners want the coveted agricultural classification, even though it's quite clear to us the property is primarily used for residential purposes. The guidelines from the Iowa Department of Revenue are not always clear. Should every rural landowner who purchases a few sheep, or who raises horses or plants a crop on a small portion of their land, be able to call their homestead a farm for tax purposes?

There are growing inconsistencies, and even the Property Assessment Appeal Board (PAAB) has issued rulings that seem contradictory. We are looking for guidance, and hope the legislature or the courts can help resolve the issue once and for all.

As always, our office strives to be the resource for property assessment and related issues in Polk County. Please let me know if you have any questions.

I look forward to working with you this coming year.

ACTION OF THE 2009 BOARD OF REVIEW

The 2009 Board of Review considered 7617 protests and 147 recommendations.

Total value of real estate considered for protests \$ 3,381,979,580

Total number of protests by class of property:

Agricultural	297
Residential	6192
Commercial	1094
Industrial	34
TOTAL	7617

Number of protests denied 3213

Number of protests upheld 4404

Amount of reduction

Land	\$ 16,559,290
Improvements	\$ 199,191,880
Total amount of reduction	\$ 215,751,170

Number of protests that received an increase 26

Amount of increase

Land	\$ 231,440
Improvements	\$ 4,905,810
Total amount of increase	\$ 5,137,250

Total value of real estate considered for recommendations \$ 82,842,870

Total number of recommendations by class of property:

Agricultural	9
Residential	117
Commercial	21
TOTAL	147

Number of recommendations for reductions 102

Amount of reduction

Land	\$ 326,900
Improvements	\$ 4,077,310
Total amount of reduction	\$ 4,404,210

Number of recommendations for increases 45

Amount of increase

Land	\$ 556,530
Improvements	\$ 5,693,300
Total amount of increase	\$ 6,249,830

Total Real Estate Protests Reduced	\$ (215,720,570)
Total Real Estate Recommendations Reduced	\$ (4,402,210)
Total Real Estate Protests Raised	\$ 5,130,450
Total Real Estate Recommendations Raised	\$ 6,241,230

Net Reductions of Real Estate - Protests and Recommendations	\$ (208,751,100)
---	-------------------------

STATEMENT OF ASSESSED VALUATIONS OF POLK COUNTY
As of July 1, 2009

Real Property			\$ 30,734,701,690
New Construction Added January 1, 2009			\$ 693,031,902
Revaluation			\$ 732,476,292
Property Returned to Taxation			\$ 11,902,600
Total Real Property			<u>\$ 32,172,112,484</u>
Less:			
Demolitions	\$ 13,963,470		
Revaluations	\$ 351,082,604		
Board of Review Adjustments (R.E. Only)	\$ 208,757,900		
New Claims for Tax Exempt and Non-Taxable	\$ 46,125,270		
Court Decrees & Corrections	\$ 25,736,350		
		\$ 645,665,594	
Net Real Property			<u>\$ 31,526,446,890</u>
Railroad and Utility Property*		\$ 1,224,694,126	
Assessed by Department of Revenue			
Full Value of Taxable Real Property			\$ 32,751,141,016
Less: Urban Revitalization, Industrial Exemptions, Pollution Control and Forest & Fruit Tree Exemptions		\$ 982,001,020	
Military Exemptions - Estimated		\$ 39,000,000	
ADJUSTED VALUE OF NET TAXABLE REAL PROPERTY			<u>\$ 31,730,139,996</u>

Money and Credits - Credit Unions (5 mills)		\$ 29,850,066	

* Railroad and Utility Property values, assessed by the Department of Revenue and Finance, are the latest figures available.

**ABSTRACT OF 2009
POLK COUNTY ASSESSMENT
AS OF JULY 1, 2009**

REAL PROPERTY

Includes over 165,000 Parcels of Taxable Property

100% Value

	TOWNSHIPS	CITIES
Agricultural Lands	\$ 192,232,700	\$ 40,007,430
Residential (includes residences on ag property)	\$ 1,954,076,640	\$ 20,346,035,300
Commercial Properties	\$ 388,800,260	\$ 8,164,133,120
Industrial Properties	\$ 63,901,600	\$ 377,259,840
	<hr/>	<hr/>
Total Taxable Real Estate *	\$ 2,599,011,200	\$ 28,927,435,690

MONEY & CREDITS (100%)

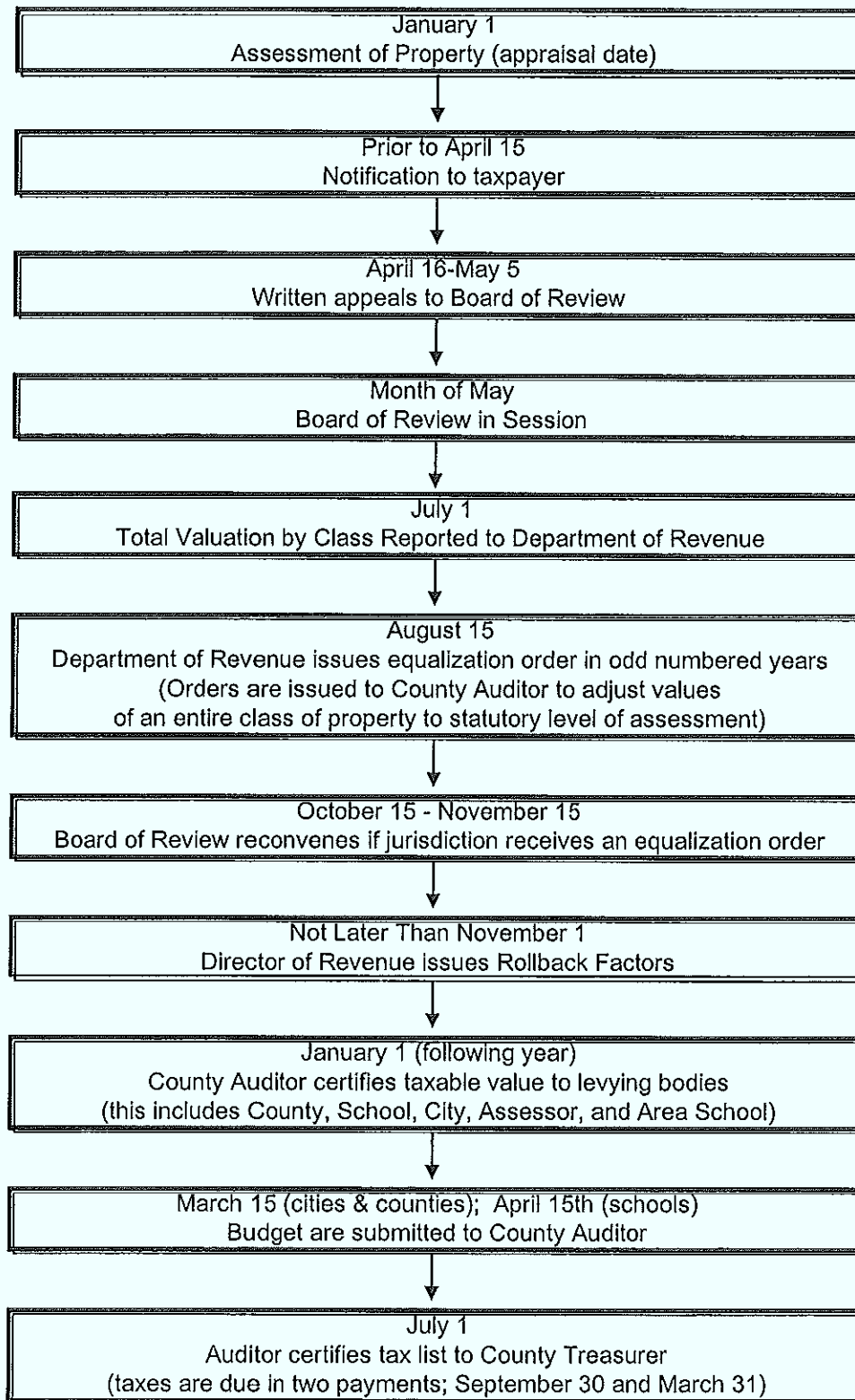
Credit Unions (5 mills)	\$ 2,396,334	\$ 27,453,732
Finance Companies (5 mills)	\$ 2,396,334	\$ 27,453,732
	<hr/>	<hr/>

IMPORTANT NOTE:

Due to the statewide 4% maximum allowable increase in real estate, there will be a rollback of values if the state increase is great enough to warrant a rollback. The amount of the rollback will be decided by the Department of Revenue in November.

* The value does not include utility property assessed by the Department of Revenue .

PROPERTY TAX TIMELINE



SURVEY OF NEW HOMES BUILT IN POLK COUNTY

CITIES	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Alleman		7	4	0	11	4	0	0	0	1	2	1	1	0
Altoona		117	119	83	166	88	164	196	218	354	277	186	120	76
Ankeny		267	348	475	518	414	652	751	972	1068	1345	681	521	280
Bondurant		20	13	20	24	27	33	24	14	78	99	67	105	51
Carlisle		0	0	0	2	0	0	0	0	0	0	0	0	1
Clive		71	69	37	74	44	45	30	16	35	11	7	2	1
Des Moines	175	150	209	271	381	344	390	520	526	665	520	296	282	163
Elkhart		0	0	1	1	1	0	0	25	21	29	25	5	2
Granger										16	33	3	5	4
Grimes		39	38	71	69	72	60	111	83	98	217	299	248	127
Johnston		181	188	251	381	285	331	276	329	390	386	290	165	100
Mitchelville		2	1	5	9	5	3	6	0	3	3	4	2	3
Pleasant Hill		77	66	72	116	93	116	118	160	118	165	198	114	55
Polk City		26	29	23	47	30	20	41	80	60	42	45	33	17
Runnells		0	0	1	2	3	3	12	4	6	4	8	0	1
Sheldahl		0	1	1	0	0	0	1	0	0	1	1	0	0
Urbandale		236	193	243	278	262	312	332	292	266	117	120	81	48
West Des Moines		233	267	460	500	343	224	140	121	120	35	54	49	44
Windsor Heights		1	0	0	0	0	1	0	1	1	1	1	8	1
TOWNSHIPS	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Allen			2	1	3	0	0	1	0	0	0	0	0	0
Beaver			3	1	6	5	4	9	14	9	14	13	10	6
Bloomfield			0	0	2	0	0	0	0	0	0	0	0	0
Camp			21	22	15	9	17	18	19	14	28	21	9	10
Clay			8	10	14	6	16	8	13	9	11	7	2	2
Crocker			27	79	81	70	43	23	26	21	31	17	13	6
Delaware			11	11	18	14	8	7	13	6	10	7	2	3
Douglas			8	12	15	5	3	5	5	4	2	3	0	0
Elkhart			2	2	7	8	10	9	25	19	14	15	10	2
Four Mile			12	19	17	13	14	21	23	13	17	8	9	6
Franklin			15	14	20	14	26	12	22	26	14	9	7	7
Jefferson			20	37	47	37	50	26	31	31	34	20	14	10
Lincoln			0	2	2	2	3	4	2	3	2	1	1	0
Madison			1	0	2	2	1	1	1	1	0	0	0	1
Saylor			28	24	13	9	10	34	37	23	16	30	21	16
Union			2	3	2	1	1	7	5	4	2	1	1	1
Walnut			0	0	0	0	0	0	0	0	0	0	0	0
Washington			2	5	1	4	2	3	0	6	3	2	0	1
Webster			1	1	2	3	2	1	1	0	2	1	0	0

**MISCELLANEOUS INFORMATION AND STATISTICS
POLK COUNTY**

New Building Permits Processed	7,504
Divisions of Existing Property (As of 10/15/2009)	1,640
New Plats (As of 10/15/2009)	47
New Homestead Tax Credits 2008/2009	5,080
New Military Exemptions 2008/2009	625

Classes and Numbers of Properties Assessed:

Agricultural Parcels (Property used for Agricultural Purposes)	5733
---	------

Forest & Fruit Tree Reservations (Acres)	6,489.372
--	-----------

Vacant Taxable Parcels	Agricultural	4,579
	Residential	13,168
	Commercial	1,924
	Industrial	400

Improved Taxable Parcels	Agricultural	1,156
	Residential	136,122
	Commercial	8,531
	Industrial	316

Average 100% Assessment of Residential Property	\$ 161,734
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**EXEMPT PROPERTY AS OF JULY 2009
POLK COUNTY**

RELIGIOUS INSTITUTIONS

Churches & Church Headquarters	\$	522,553,380
Parsonages	\$	16,910,880
Recreation Property, Church Camps, Etc.	\$	106,227,930

LITERARY SOCIETIES

Community Play House	\$	14,167,340
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LOW RENT HOUSING

Dwellings & Apartments	\$	27,862,690
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VETERANS ORGANIZATIONS	\$	2,216,560
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CHARITABLE & BENEVOLENT SOCIETIES

Hospitals	\$	432,787,130
Fraternal Organizations	\$	14,443,330
Agricultural Societies	\$	8,610,750
Retirement & Nursing Homes	\$	112,354,960
Others (Y.M.C.A., Y.W.C.A., etc.)	\$	261,294,870

EDUCATIONAL INSTITUTIONS & CHURCH SCHOOLS	\$	335,752,150
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POLLUTION CONTROL (Industrial M & E and Bldgs.)	\$	5,505,320
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URBAN REVITALIZATION TAX EXEMPTION	\$	903,688,680
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INDUSTRIAL PARTIAL EXEMPTION	\$	29,704,580
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NATURAL CONSERVATION	\$	1,945,140
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FOREST & FRUIT TREE PRESERVATION (6,489 Acres)	\$	25,032,850
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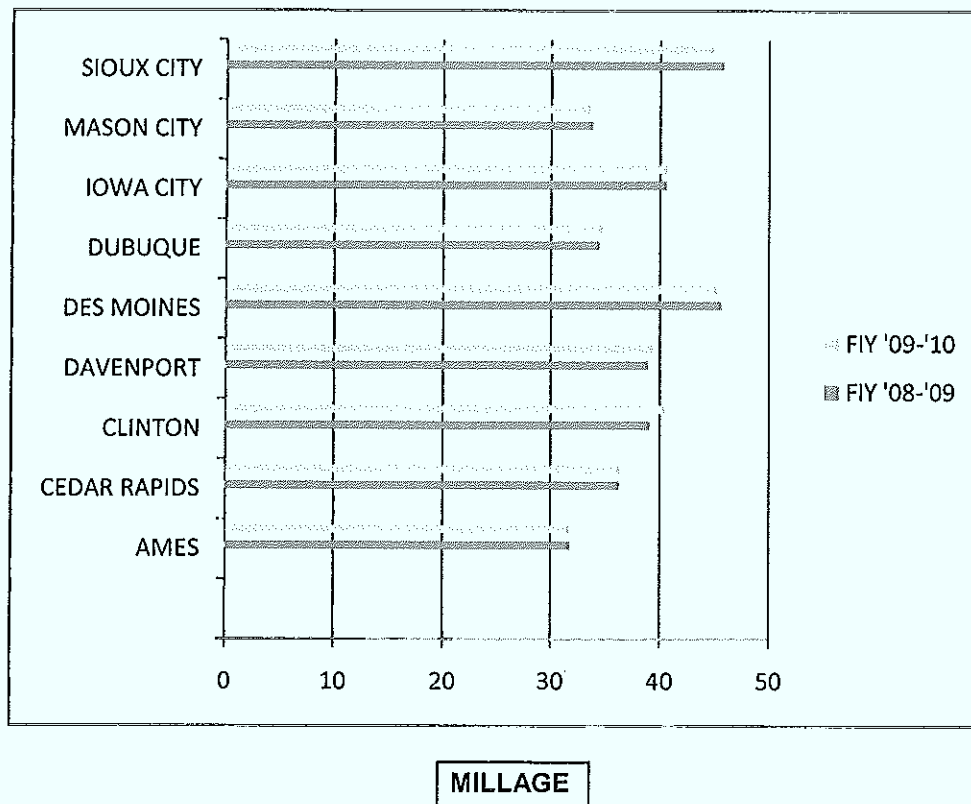
HISTORICAL

IMPOUNDMENTS	\$	57,090
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TOTAL EXEMPT PROPERTY	\$	2,821,115,630
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**COMPARISON OF TAX RATES PER THOUSAND
FOR TAXES PAYABLE FISCAL '08-'09 TO '09-'10
AS COMPILED BY THE POLK COUNTY ASSESSOR'S OFFICE**

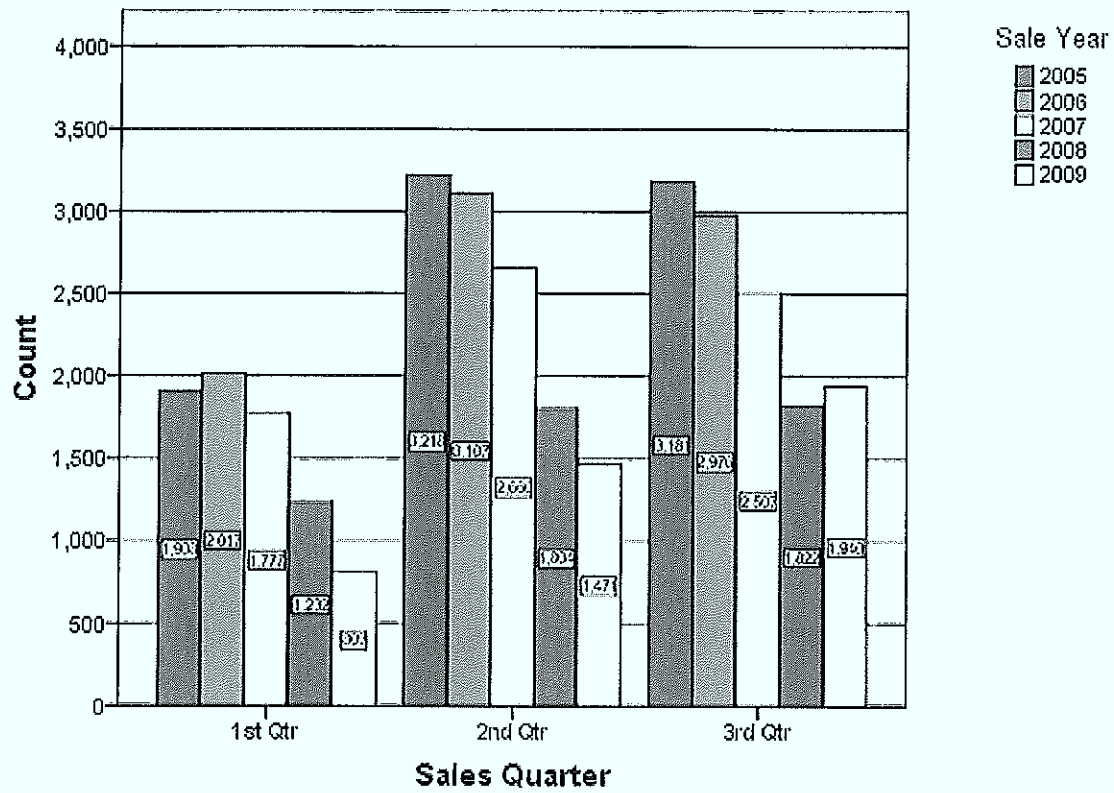
<u>JURISDICTION</u>	<u>FIY '08-'09</u>	<u>FIY '09-'10</u>
AMES	31.77848	31.68691
CEDAR RAPIDS	36.25611	36.31263
CLINTON	39.11416	40.40068
DAVENPORT	38.95313	39.35289
DES MOINES	45.65841	45.22335
DUBUQUE	34.44676	34.71571
IOWA CITY	40.56747	40.59569
MASON CITY	33.81858	33.60488
SIOUX CITY	45.87394	44.84382



Residential Sales Statistics

Polk County

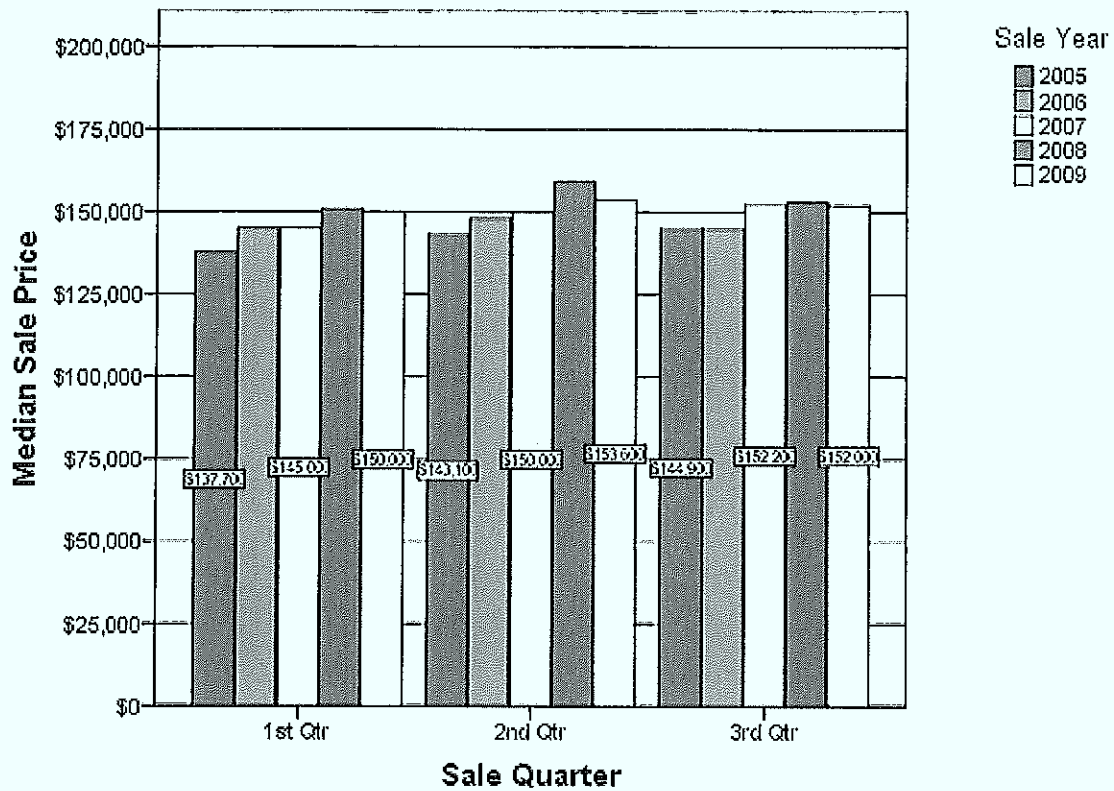
Number Of Sales By Year and Quarter



Number of Sales by Year & Quarter

Sale Year	Sales Quarter		
	1st Qtr	2nd Qtr	3rd Qtr
2005	1,908	3,218	3,181
2006	2,017	3,107	2,976
2007	1,777	2,660	2,507
2008	1,232	1,804	1,822
2009	807	1,471	1,940

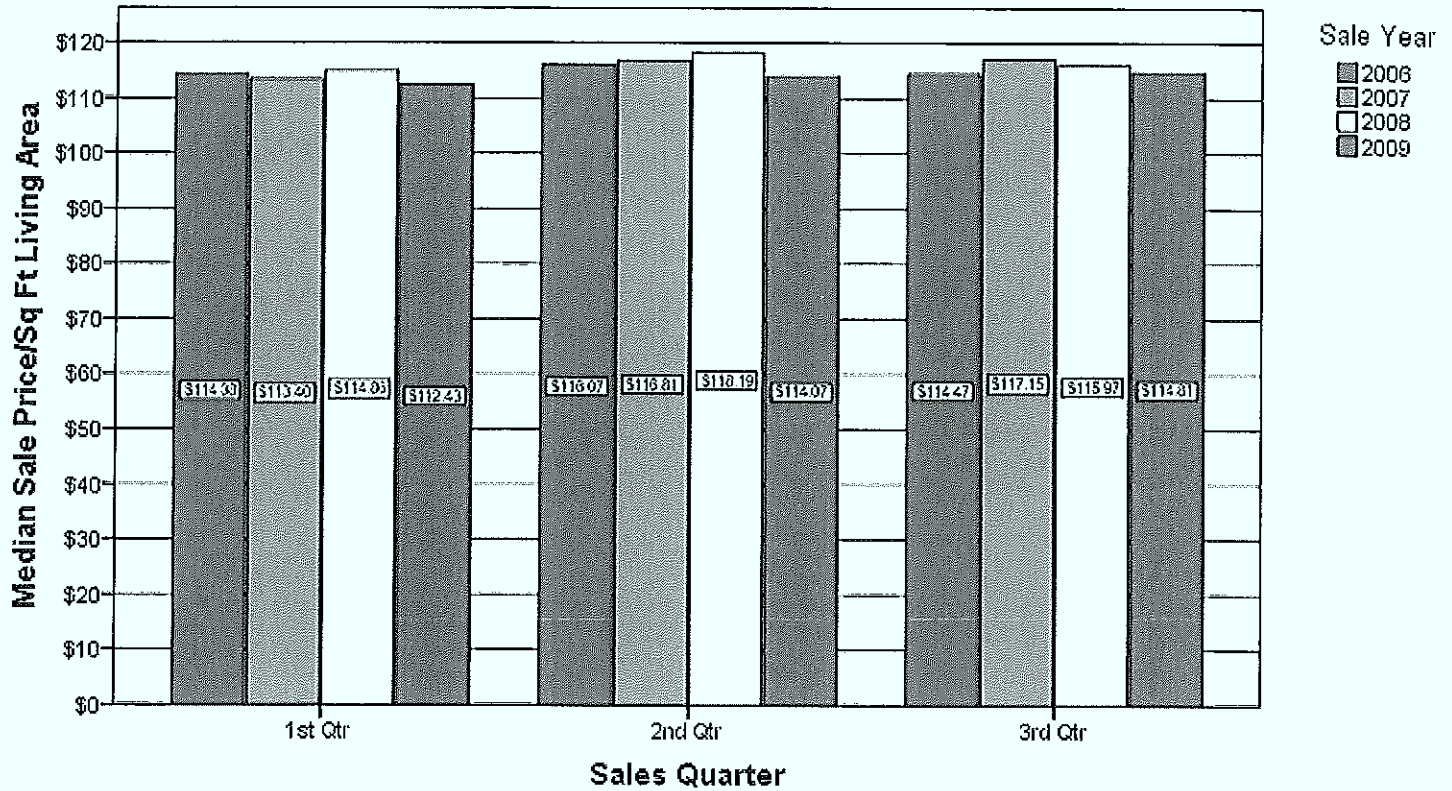
Median Sale Price By Year and Quarter



Median Sale Price by Year & Quarter

Sale Year	Sales Quarter		
	1st Qtr	2nd Qtr	3 rd Qtr
2005	\$137,700	\$143,100	\$144,900
2006	\$145,000	\$147,900	\$144,925
2007	\$145,000	\$150,000	\$152,200
2008	\$150,900	\$159,045	\$153,000
2009	\$150,000	\$153,600	\$152,000

Median Sale Price/Sq.Ft By Year and Quarter

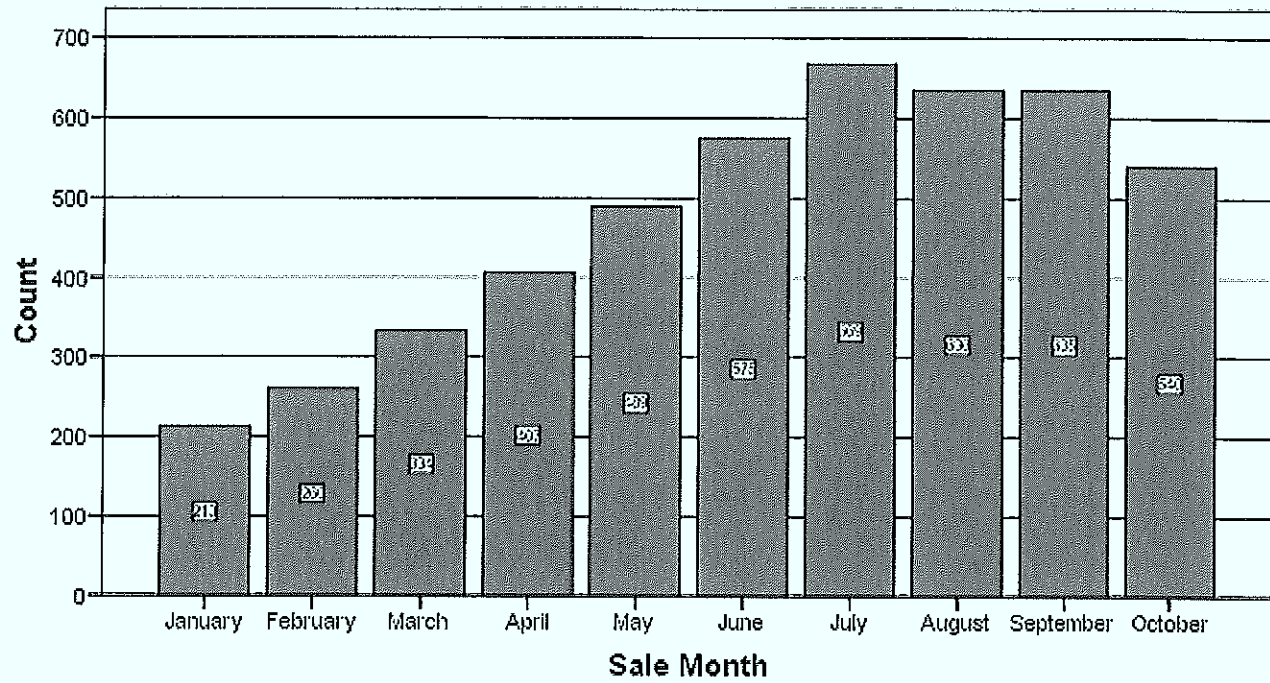


Median Sale Price/Sq.Ft. by Year & Quarter

Sale Year	Sales Quarter		
	1st Qtr	2nd Qtr	3rd Qtr
2006	\$114.38	\$116.07	\$114.47
2007	\$113.40	\$116.81	\$117.15
2008	\$114.86	\$118.19	\$115.97
2009	\$112.43	\$114.05	\$114.81

Number of Sales by Month

Year 2009

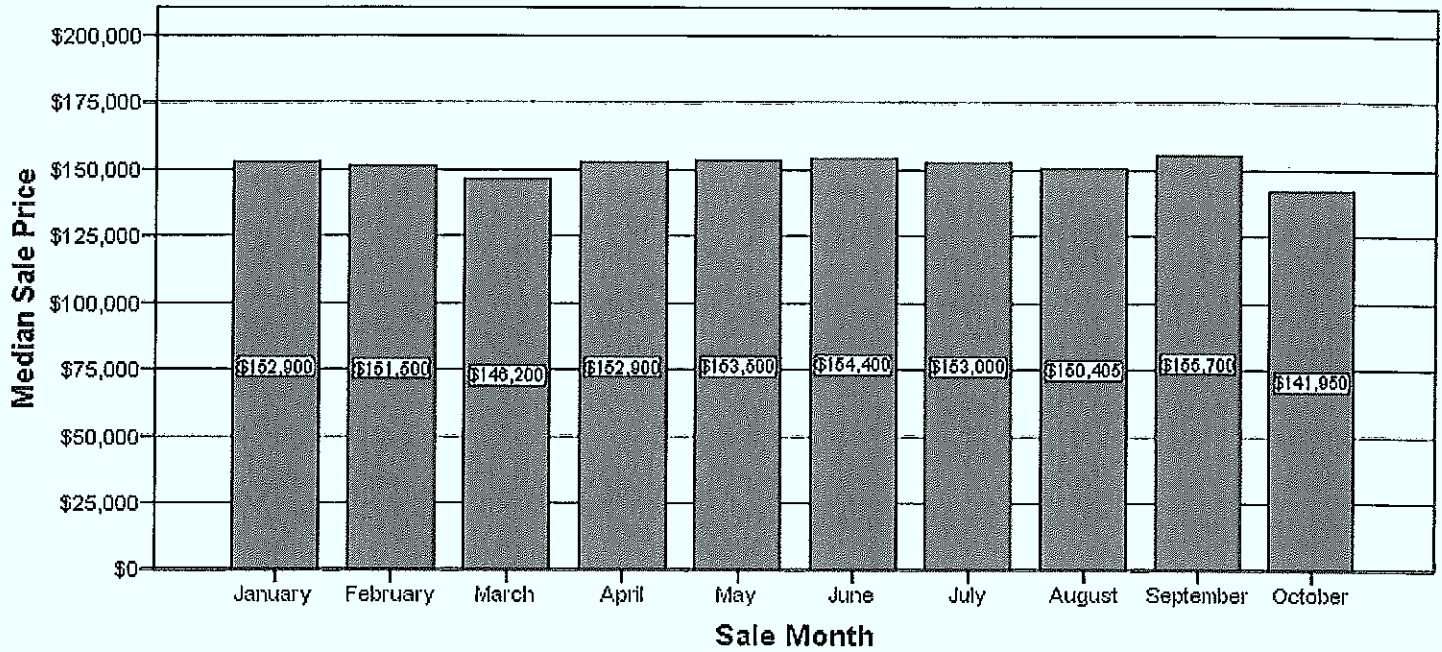


Number of Sales by Month -
Year 2009

Sale Month	Number
January	213
February	260
March	334
April	407
May	489
June	575
July	669
August	636
September	635
October	540

Median Sale Price By Month

Year 2009

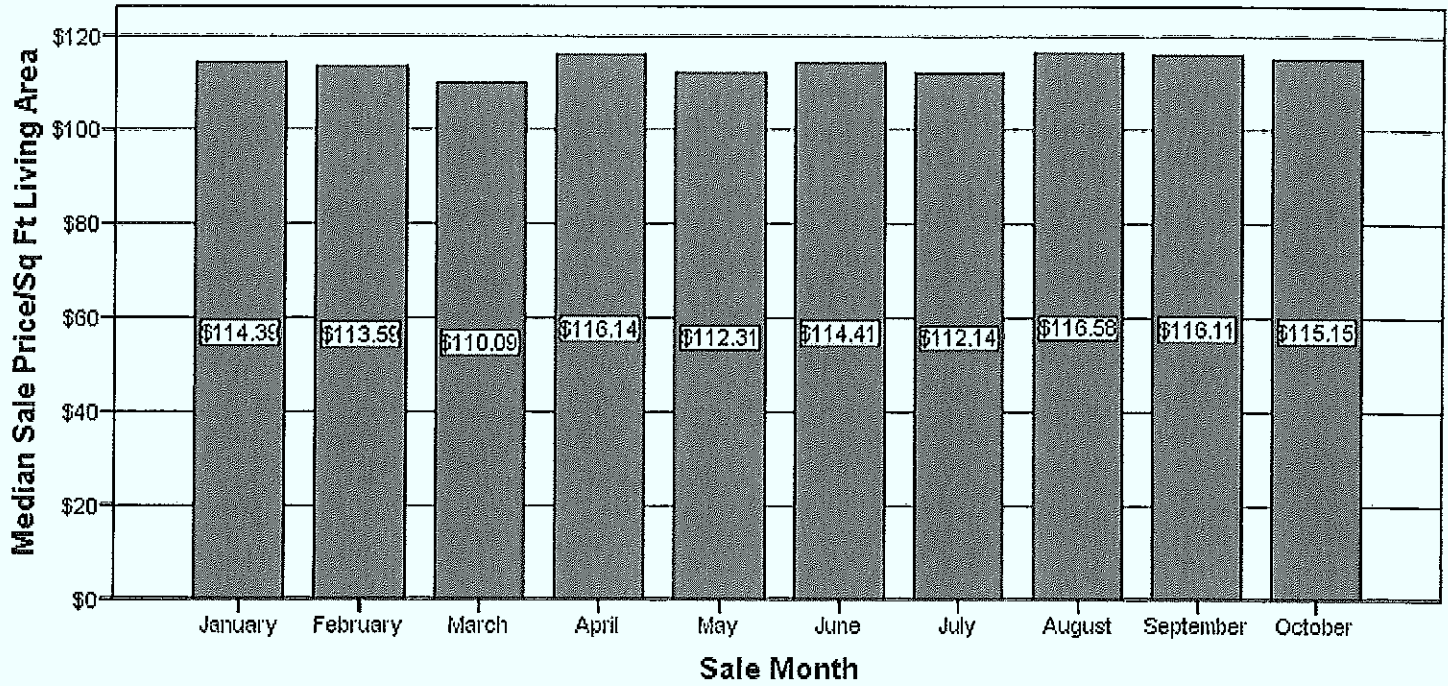


Median Sale Price by Month -
Year 2009

Sale Month	Sale Price
January	\$152,900
February	\$151,500
March	\$146,200
April	\$152,900
May	\$153,500
June	\$154,400
July	\$153,000
August	\$150,405
September	\$155,700
October	\$141,950

Median Sale Price/Sq.Ft by Month

Year 2009



Median Sale Price/Sq.Ft. by
Month - Year 2009

Sale Month	Sale Price/Sq Ft Living Area
January	\$114.39
February	\$113.59
March	\$110.09
April	\$116.14
May	\$112.31
June	\$114.41
July	\$112.14
August	\$116.58
September	\$116.11
October	\$115.15

Number of Sales through October

Years 2005 - 2009



Number of Sales Through October

Sale Year	Count
2005	9214
2006	8911
2007	7599
2008	5330
2009	4758

**Sales Ratio Study
Polk County
Residential 1 & 2 Family Dwellings
Year 2009**

Assessors use mass appraisal techniques to estimate the current market value of property in their jurisdictions for property tax purposes. The assessor's estimates of property value govern the distribution of property taxes, a major source of local government revenue. The mass appraisal system must produce accurate and equitable value estimates if the property tax is to be fair. Thus, quality control is paramount. The mainstay quality control technique used by assessors is the sales ratio study, in which appraised (assessed) values are compared to market values (sales prices). A sales ratio is the ratio between a parcel's assessed value and its estimated market value as represented by an open-market, arm's-length sale.

The two major aspects of measuring appraisal accuracy in a sales ratio study are appraisal level and appraisal uniformity. Appraisal level refers to the overall, or typical, ratio at which properties are appraised. Appraisal uniformity refers to the fair and equitable treatment of individual properties.

Measures of Appraisal Level

Measures of central tendency are used to estimate the overall appraisal level at which property is assessed in one convenient statistic. There are three measures of central tendency used in this ratio study: the mean, the median, and the weighted mean.

The *mean ratio* is the common average obtained by adding all the ratios and dividing by the number of ratios. The *median ratio* is the middle ratio when they are arrayed from lowest to highest. The *weighted mean ratio* is the sum of the assessments divided by the sum of the sales prices. It is so called because it weights each ratio by its sale price. The median is less affected by extreme ratios than the other measures of central tendency. Because of this, the median is the generally preferred measure of central tendency for direct equalization, monitoring appraisal performance, determining reappraisal priorities, or evaluating the need for a reappraisal.

Confidence intervals can be calculated for the three measures of central tendency, which help conclude whether required assessment level standards have been violated. For example, a 95 percent confidence interval would suggest that one can be 95 percent confident that the true median appraisal level is between the two interval values.

Iowa law requires that the appraisal level for assessments of residential properties be at 100 percent for each assessor jurisdiction. If the actual level deviates from the legal level by more than five percent, the value estimates being studied would need to be updated. In Iowa, this occurs every odd numbered year.

Measures of Appraisal Uniformity

Measures of dispersion are used to measure appraisal uniformity. The two most useful measures of appraisal uniformity are the coefficient of dispersion (COD) and the price-related differential (PRD).

The *coefficient of dispersion* (COD), the most common measure of equity in mass appraisal, expresses the average absolute deviation of individual ratios from the median ratio as a percentage. A COD of 10.0, for example, means that properties are, on average, appraised within 10.0 percent of the median assessment level.

The *price-related differential* (PRD) provides an index of price-related bias, indicating whether low- and high-value properties are assessed at the same level. It is the ratio of the mean ratio to the weighted mean ratio. PRDs that exceed 1.03 suggest that high-value properties are relatively under-valued. PRDs under 0.98 indicate low-value properties are relatively under-valued.

Sales Ratio Performance Standards

The Standard on Ratio Studies, published in 2007 by the International Association of Assessing Officers (IAAO), has suggested sales ratio performance standards for jurisdictions in which current market value is the legal basis for assessment. In general, when these standards are not met, reappraisal or other corrective measures should be taken. Following are the sales ratio performance standards in the publication mentioned above for single-family residential properties:

<u>Type</u>	<u>Measure of Central</u>		
	<u>Tendency</u>	<u>COD</u>	<u>PRD</u>
Newer, more homogenous areas	0.90-1.10	5.0 to 10.0	0.98-1.03
Older, heterogeneous areas	0.90-1.10	5.0 to 15.0	0.98-1.03
Rural residential and seasonal	0.90-1.10	5.0 to 20.0	0.98-1.03

Polk County Sales Ratio Study (1 & 2 Family Dwellings)

In Polk County, through October of 2009 (November not fully reported), there were 3,677 residential sales of 1 & 2 family dwellings that were considered open-market, arm's-length sales. These sales were used to calculate the statistics described above for this study.

A 1 percent trim was also performed on the sales, which disregards the lowest 1 percent of the sales ratios and the highest 1 percent of the sales ratios. Trimming the sales can be useful in mass appraisal, where extreme values can mask the underlying distribution of the data. After doing a 1 percent trim, there were 3,605 sales that were used to calculate the sales ratio statistics.

On the following pages are charts that have the results of the sales ratio study for Polk County using residential sales of 1 & 2 family dwellings occurring through October of 2009 (November not fully reported). There are also some graphs that show trends and patterns of the residential real estate market in Polk County.

Ratio Statistics for 1 & 2 Family Dwellings - based on 3677 Sales

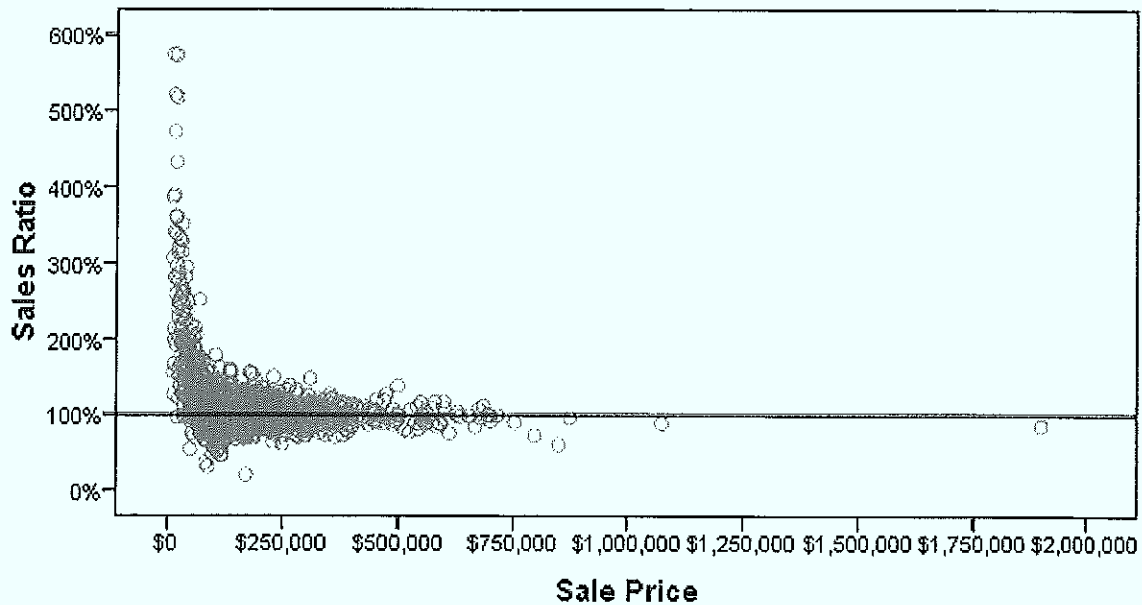
Mean		1.051
95% Confidence Interval for Mean	Lower Bound	1.041
	Upper Bound	1.061
Median		1.004
95% Confidence Interval for Median	Lower Bound	1.000
	Upper Bound	1.008
	Actual Coverage	95.219
Weighted Mean		1.010
95% Confidence Interval for Weighted Mean	Lower Bound	1.005
	Upper Bound	1.015
Price Related Differential		1.041
Coefficient of Dispersion		13.0

Ratio Statistics for 1 & 2 Family Dwellings after 1% Trim - based on 3,605 Sales

Mean		1.033
95 % Confidence Interval for Mean	Lower Bound	1.027
	Upper Bound	1.038
Median		1.004
95 % Confidence Interval for Median	Lower Bound	1.000
	Upper Bound	1.008
	Actual Coverage	95.064
Weighted Mean		1.011
95 % Confidence Interval for Weighted Mean	Lower Bound	1.006
	Upper Bound	1.015
Price Related Differential		1.021
Coefficient of Dispersion		10.5

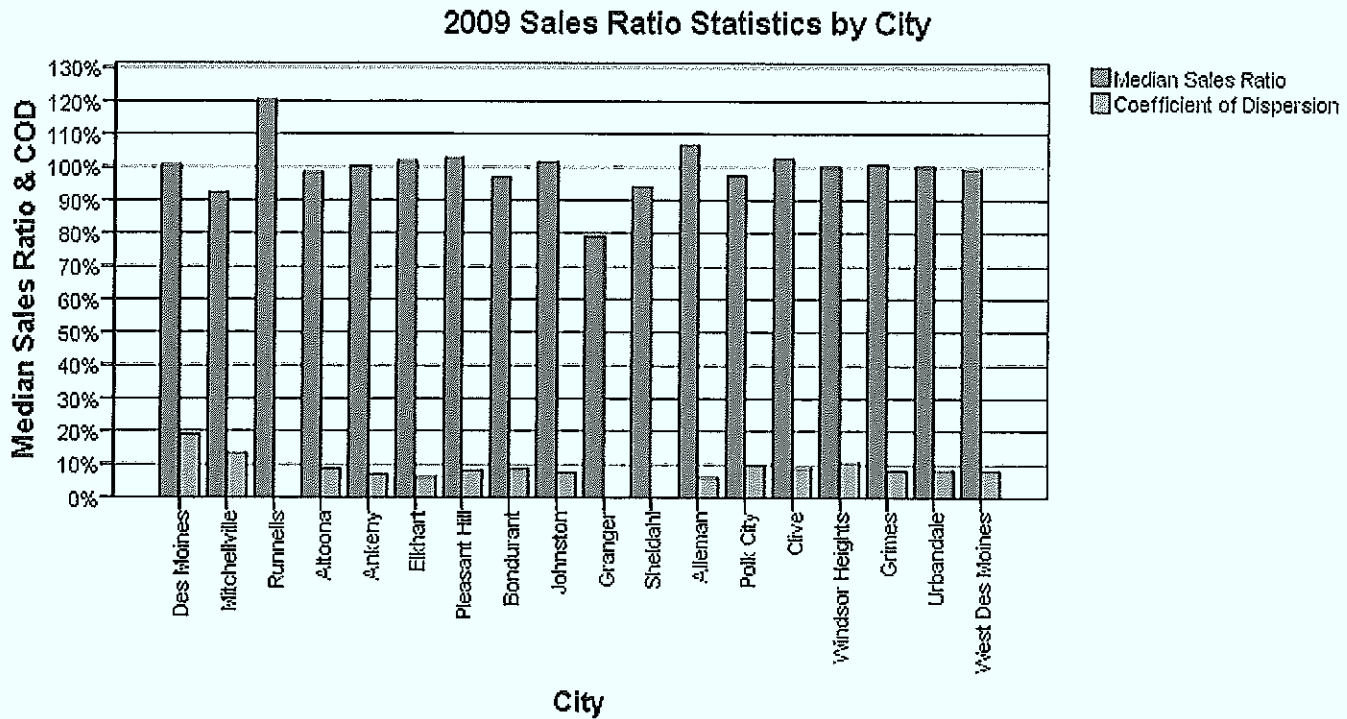
The above two charts show that the current median ratio for Polk County is 1.004 or 100.4%. This meets the IAAO's suggested performance standard and is within 5% of the legal level in Iowa (100%), but not exactly 100%. Thus, at this point in time, there would be no need to adjust assessments. Watching the market during the rest of 2009 and 2010 will give us an indication of where assessments should be for 2011.

The COD after a 1% trim is 10.5%, which means that, on average, residential assessments in Polk County are within 10.5% of the median assessment level (100.4%). The PRD also meets the IAAO's suggested performance standard and indicates that low- and high-valued properties are relatively being assessed at the same level.

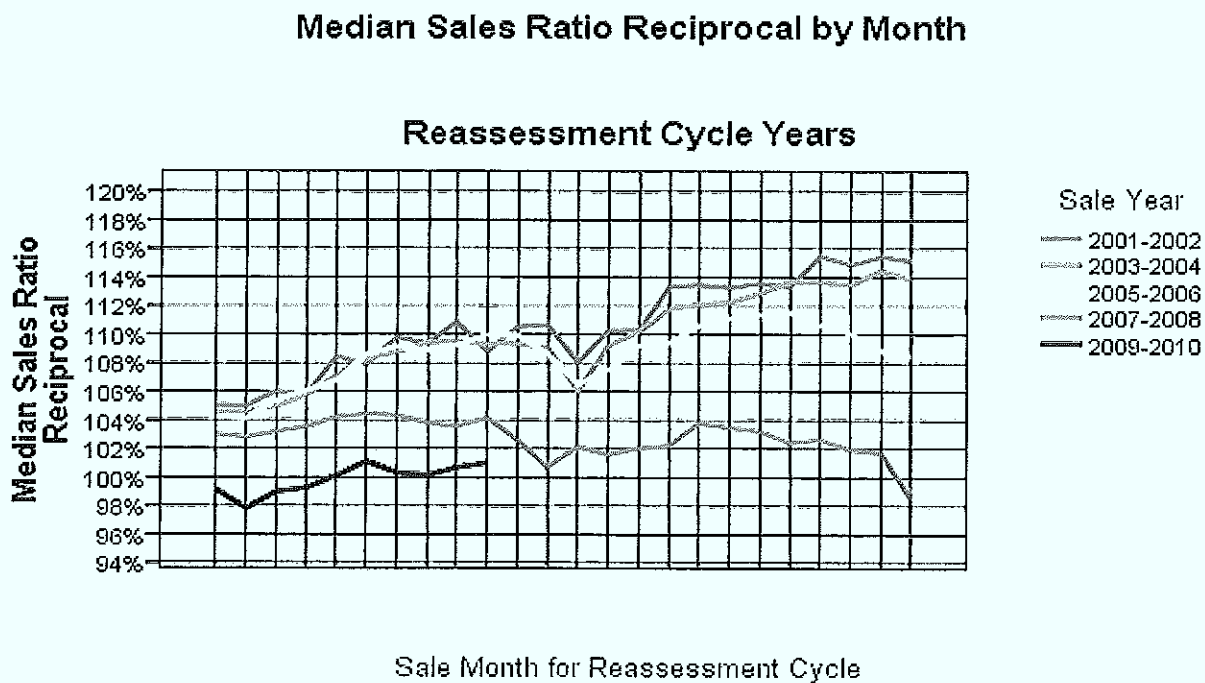
Plot of Sales Ratio with Sale Price**Plot of Sales Ratio with Sale Price - 1% Trim**

The above charts show the distribution of the sales ratios against their sale prices. The line on the sales ratio axis at 100% represents the legal assessment level. These charts support the PRD statistic above (assessment uniformity), which indicates that low- and high-valued properties are relatively assessed at the same general level.

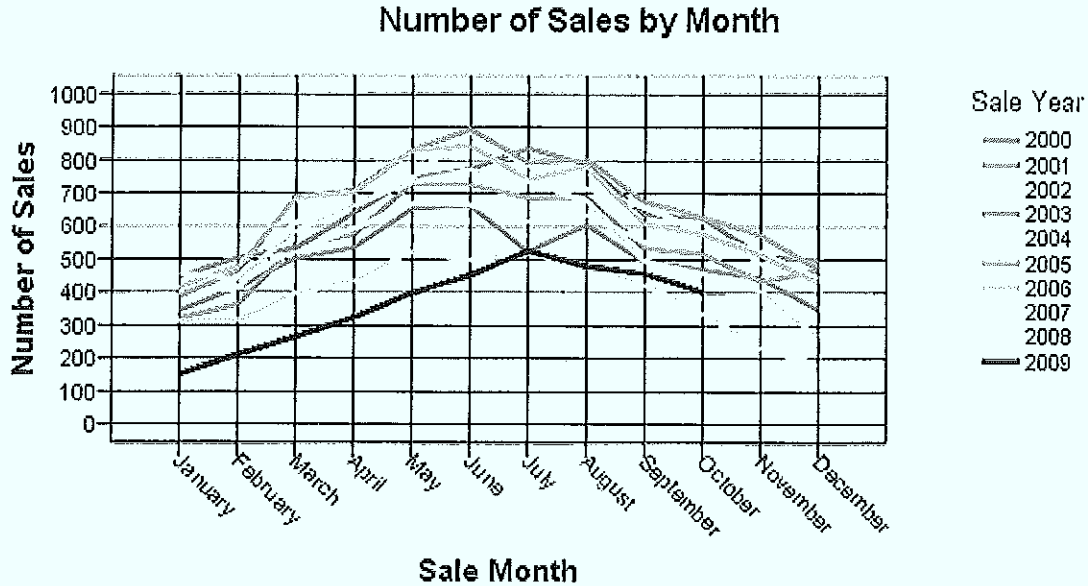
chart below shows the median ratio and COD for each city in Polk County. One can see why different cities have different percent adjustments in reassessment years.



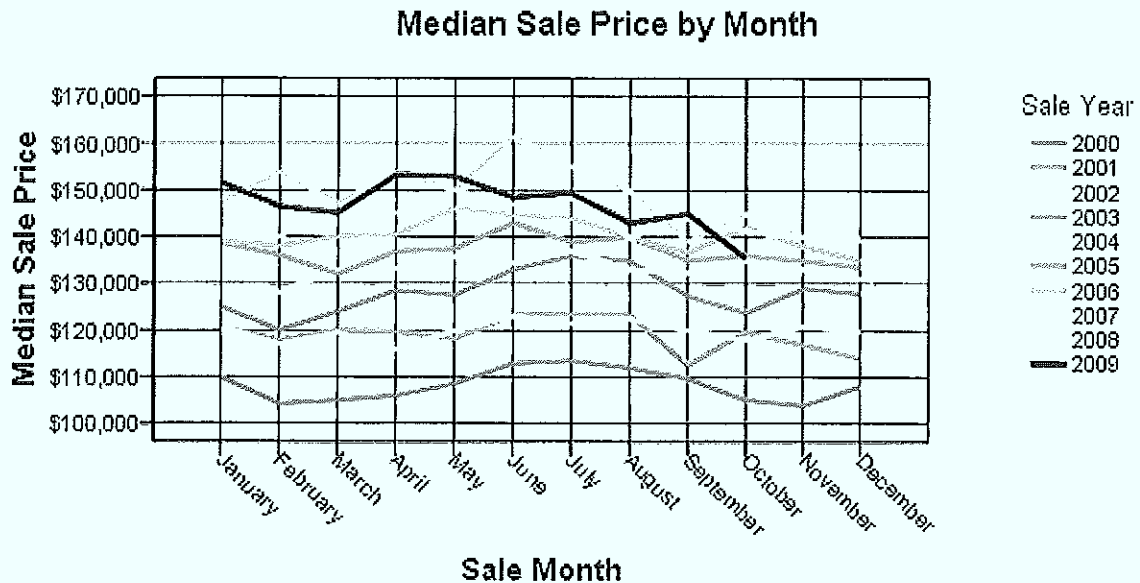
By plotting the reciprocals of the sales ratios (sale price/assessment) over time, one can visualize any inflation/deflation trends in the market. In the chart below, one can see that the market through 2007-2008 is well below the previous assessment cycles from '01 to '06. 2009 is lower than '07-'08, but appears to be relatively flat, similar to '07-'08.



The following chart shows that market activity increases during the spring/summer months and decreases during the fall/winter months. This pattern is pretty consistent from year-to-year. The spring/summer months are a good time to be selling a home.



The residential real estate market in Polk County has been increasing during the last nine years. The median sale price in 2000 was roughly \$110,000, while in 2009 it is roughly \$150,000 and appears declining in the last half of the year. The seasonal patterns are also apparent here.



The median sale price per square foot of living area has been increasing from 2000 to 2007, which points to an upward movement in the residential real estate market. The median sale price/sq. ft. in 2000 was roughly \$90, while in 2009 it is roughly \$114, down from an average of about \$115 in 2008. We will continue to follow this trend throughout 2009 and into 2010.

